1 **DURIE TANGRI LLP** RAGESH K. TANGRI (SBN 159477) 2 rtangri@durietangri.com MARK A. LEMLEY (SBN 155830) 3 mlemley@durietangri.com EUGENE NOVIKOV (SBN 251316) enovikov@durietangri.com 4 217 Leidesdorff Street 5 San Francisco, CA 94111 Telephone: 415-362-6666 Facsimile: 415-236-6300 6 7 Attorneys for Defendant INDIEGOGO, INC. 8 9 IN THE UNITED STATES DISTRICT COURT 10 FOR THE NORTHERN DISTRICT OF CALIFORNIA 11 SAN FRANCISCO DIVISION 12 Case No. 3:12-cv-03112-EMC CHARLES CARREON, 13 DECLARATION OF SLAVA RUBIN Plaintiff, 14 v. 15 MATTHEW INMAN; INDIEGOGO, INC.; NATIONAL WILDLIFE FEDERATION; 16 AMERICAN CANCER SOCIETY; AND DOES 1-100, 17 Defendants. 18 19 20 21 22 23 24 25 26 27 28

DEFCLARATION OF SLAVA RUBIN / CASE NO. 3:12-CV-03112-EMC

- I, Slava Rubin, declare as follows:
- 1. I am the founder and Chief Executive Officer of Indiegogo.com ("Indiegogo").
- 2. Indiegogo operates a "crowdfunding" website that allows users to raise money for projects of their choosing by soliciting contributions from other Indiegogo users. Typical projects seeking funding are independent films, small businesses needing money for an expansion or improvement, and individuals in need (such as people with large medical bills).
- 3. A user who wishes to create a contribution campaign may submit a campaign description, set a campaign end date, and define a funding goal. In order create a campaign, the user must agree to the Indiegogo terms and conditions, which are publicly available at http://www.indiegogo.com/about/terms. A true and correct copy of the terms and conditions is attached to this declaration as Exhibit A.
- 4. Contributions to an Indiegogo campaign may be made in two ways. Users may contribute on the Indiegogo website using a credit card. In this case, Indiegogo collects the money and disburses it to the user after the completion of the campaign. Alternatively, users may contribute through a third-party payment processor called PayPal. In the latter case, PayPal transfers the money directly to the user's PayPal account.
- 5. Under the terms and conditions, contributions to a campaign run by an individual Indiegogo user who is not a registered § 501(c)(3) are subject to an Indiegogo platform fee of 9% of the total contributed amount, with a 5% rebate if the project hits its funding goal. For contributions made by credit card, a 3% payment processing fee is also charged. Paypal charges its own payment processing fee for transactions through its service, which Indiegogo believes to also be around 3%. Paypal transfers the Indiegogo platform fee portion of contributions made through its service to Indiegogo at the time of the transaction.
- 6. Pursuant to the terms and conditions, the money contributed using a credit card is disbursed to the user within five business days of the campaign end date, less Indiegogo's platform fee and the processing fee, plus the 5% platform fee rebate (from both credit card and Paypal transactions), if applicable.
  - 7. The campaign-specific content of an Indiegogo fundraising campaign, including the

content on the "project description" page, is generated by the user who initiates the campaign. The user uploads or enters the content into the Indiegogo website, and presses a button to publish the campaign on the website. Indiegogo does not approve the content before it appears on the website and does not review it unless specifically requested by the user who initiates the campaign.

- 8. The "BearLove Good. Cancer Bad." Indiegogo campaign was created by a user with the user name "oatmeal." I understand that the "oatmeal" account belongs to Matthew Inman.
- 9. The campaign end date selected by Inman for "BearLove Good. Cancer Bad." was Monday, June 25, 2012. Accordingly, contributions from users ceased to be accepted at 11:59 pm Pacific Standard Time on June 25.
- 10. When the "BearLove" campaign ended on June 25, 2012, it had raised a total of \$220,024. Of that amount, \$123,803 was contributed through PayPal. Inman's share of that money believed to be roughly \$108,946.64, depending on the exact amount of PayPal's payment processing fee is not and has never been in Indiegogo's possession. The remaining \$96,221.00 was contributed by credit card. Inman's share of that money is \$84,674.48. To that amount, Indiegogo will add the 5% fee rebate for reaching the project's funding goal, which amounts to \$11,001.20. The sum of Inman's share of the credit card contributions and the fee rebate is \$95,675.68. At Mr. Inman's request, on June 29, 2012, half of that amount is being sent by check to the American Cancer Society, and half of that amount is being sent by check to the National Wildlife Fund. Indiegogo will retain a total of \$8,800.96 in platform fees.
- 11. Pursuant to its ordinary practice, Indiegogo has maintained records of which Indiegogo users donated to the "BearLove" campaign, and how much was donated by each user.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Signed on June 29, 2012, in New York, New York.

